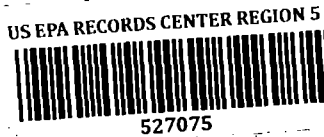




JENNIFER M. GRANHOLM  
GOVERNOR



STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING

*Williamsburg rec  
GT- Co  
groundwater file*  
**DEQ**

STEVEN E. CHESTER  
DIRECTOR

March 15, 2005

Mr. Joseph Quandt  
Zimmerman, Kuhn, Darling, Boyd, Taylor and Quandt, PLC  
122 West State Street  
P.O. Box 987  
Traverse City, Michigan 49684

Dear Mr. Quandt:

SUBJECT: Williamsburg Receiving and Storage (WRS)  
Administrative Consent Order (ACO) WMD-31-07-02

On March 8, 2005, the Department of Environmental Quality (DEQ) approved the Secondary Containment Work Plan required under the terms of the above referenced ACO. Based on this approval, and a thorough review of the circumstances involving this work plan, the DEQ rescinds its January 8, 2004 demand for stipulated penalties.

This letter should not be construed to affect the obligations of WRS to pay the stipulated penalties demanded in the DEQ's February 24, 2005 letter for the violations of the ACO specified in that letter regarding nuisance odors and an unauthorized discharge.

I have also enclosed the records provided to the DEQ in your letter dated February 15, 2005, in accordance with your request.

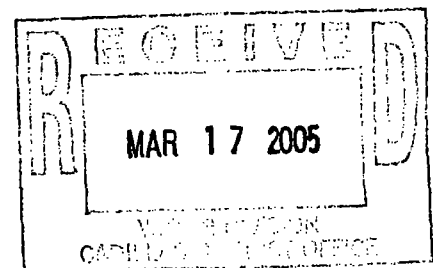
If you have any questions, please contact me.

Sincerely,

Rick D. Rusz, Enforcement Specialist  
Enforcement Unit  
Field Operations Division  
Water Bureau  
517-335-4709  
FAX: 517-373-2040

Enclosures

cc/enc: Mr. Christopher Hubbel, WRS  
Mr. Michael Stifler, DEQ





JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
CADILLAC DISTRICT OFFICE



STEVEN E. CHESTER  
DIRECTOR

March 8, 2005

Mr. Chris Hubbell  
Williamsburg Receiving and Storage  
10190 Munro Road  
Williamsburg, MI 49690

Dear Mr. Hubbell:

Thank you for meeting with Department of Environmental Quality (DEQ) staff and Williamsburg Receiving and Storage (WRS) consultants on December 16, 2004, to discuss issues related to Consent Order WMD 31-07-02 (consent order). Consent order paragraph 4.1 (d) requires submittal of a work plan to demonstrate compliance with the secondary containment requirements of Rule 324.2005 (Part 5 Rules) of Part 31 of the Natural Resources and Environmental Protection Act, Act 451 P.A. 1994 as amended (NREPA). The work plan dated February 12, 2003, with supplements dated October 22, 2003 and March 24, 2004, is hereby approved.

Paragraph 4.1 also requires preparation of a hydrogeological report that demonstrates that brine constituents are not present in groundwater in concentrations exceeding those specified in Rule 323.2222 of Part 31 of the NREPA. The requirement for a hydrogeological work plan and report is also provided by paragraph 4.1 (c) of the consent order.

The hydrogeological report submitted in December of 2003 included the need for quarterly monitoring for cations and anions in most monitoring wells at the site. In a letter dated June 24, 2004, Mr. Doug Thompson requested that dissolved iron and manganese be added to the parameters in addition to a monitor well. Mr. Andrew Smits responded to Mr. Thompson's letter in a letter dated September 12, 2004, with the agreement that iron and manganese would be added to the quarterly parameter list. The quarterly monitoring should begin immediately. The quarterly cation and anion data should be obtained for at least one full year to delineate seasonal groundwater quality fluctuations.

There have been some telephone conversations between DEQ and WRS staff in recent weeks regarding possible modifications of the water treatment system and the need for a groundwater discharge permit. During the December 16 meeting, you indicated that a groundwater discharge permit application would be made this spring. Apparently, this time line will not be met. I am available to meet with you to discuss alternative treatment systems for the wastewater and groundwater permit requirements.

Feel free to call me if you have any questions or to arrange a meeting to discuss the groundwater discharge permit application.

Sincerely,

Janice Lee Heuer  
Environmental Engineer  
Water Bureau  
231-775-3960, Extension 6203